



# SAP: The World's Largest Provider of Enterprise Application Software

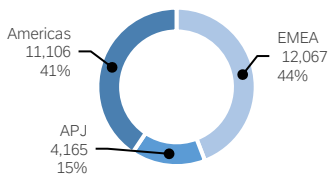
## Customers

- SAP customers generate 87% of total global commerce (\$46 trillion)
- 94% of the world's 500 largest companies are SAP customers
- 99 of the 100 largest companies in the world are SAP S/4HANA customers
- Approximately 80% of SAP's customers are SME

## Financials

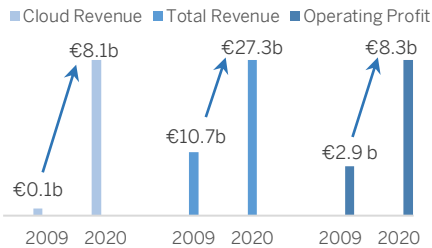
Revenue – FY2020 (non-IFRS, growth rates @cc)	
Cloud revenue	€8.09b (+ 18%)
Cloud and software revenue	€23.23b (+ 3%)
Total revenue	€27.34b (+ 1%)
Revenue – Q2/2021 (non-IFRS, growth rates @cc)	
Cloud revenue	€2.28b (+17%)
Cloud and software revenue	€5.75b (+ 5%)
Total revenue	€6.67b (+3%)

Revenue by region FY2020  
(€ m, non-IFRS / share of total rev. in %)



Outlook 2021 (non-IFRS@cc, raised July 21 <sup>st</sup> , 2021)	
Cloud revenue	€9.3b to €9.5b
Cloud and software revenue	€23.6b to €24.0b
Operating profit	€7.95b to €8.25b
Share of predictable revenue (total of cloud subs. and support rev. and software support rev.)	approx. 75%
Operating cash flow / free cash flow	~€6.0b / >€4.5b
Ambition 2025 (non-IFRS)	
Cloud revenue	>€22b
Total revenue	>€36b
Operating profit	>€11.5b
Share of more predictable revenue	Approx. 85%

## Strong, Sustainable Growth (non-IFRS)



- #1 software company in Dow Jones Sustainability Index for 14 years

1) Definition of SAP S/4HANA see p. 33 of SAP's [Q4/2019 statement](#)

## Useful Links

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## Strategy

- SAP is committed to supporting every customer to become a best-run business. Together, we help the world run better and improve people's lives
- Best-run businesses are intelligent enterprises – applying advanced technologies and best practices within agile, integrated business processes to become more resilient, profitable and sustainable

## Market Position

### Enterprise Application Software

- SAP is a market share leader in enterprise resource planning (ERP), analytics, supply chain management, human capital management, master data management, data integration as well as in experience management
- Recognized database leader
- Broadest portfolio of modular and suite solutions available on premise, in the cloud and hybrid

### Top Cloud Vendor

- Cloud user base: ~231m users
- Cloud infrastructure: Choice across hyperscale cloud vendors (Alibaba, Amazon, Google, Microsoft)
- Largest cloud portfolio: >100 solutions for all lines-of-business (LoB) as well as software suites
- 191m users run SAP SuccessFactors solutions
- 65 data centers in 36 locations in 17 countries
- SAP Digital Commerce for online SAP and partner offerings >218,000 orders from 173 countries

## Innovation

- R&D expense ratio: 17,1% (Non-IFRS; R&D expense as % of total revenue) as of 6/30/2021
- R&D headcount (FTE): 30,672 at 6/30/2021, equating 29.5% of total headcount
- >100 development locations worldwide
- 20 development centers worldwide (SAP Labs)
- 17 Co-Innovation Labs locations worldwide
- 9 SAP Innovation Center Network locations
- >22,700 SAP partner companies in >140 countries
- Sapphire Ventures: Invested in >110 IT startups
- >59 IPOs and M&A exits since 2011
  - >\$5.7b assets under management
  - Operates independently from SAP
  - Provides SAP early access to trends and innovation
- Support for >300 external and internal startups
- ~900 patents granted and validated in 2020
- openSAP: >1.2m unique learners, >5.3m enrollments
- Artificial intelligence (AI) and robotic process automation: >300 innovations in SAP's applications

### SAP Business Technology Platform (BTP)

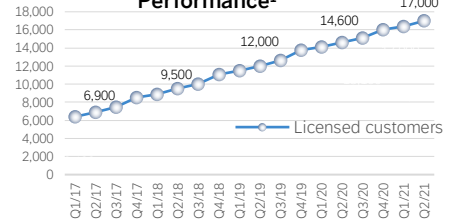
- SAP BTP is the platform for the intelligent enterprise and the foundation for all SAP applications
- Platform encompasses database and data management, analytics, application development and integration, as well as intelligent technologies, with:
  - SAP HANA: >35,900 direct customers; >56,240 direct+ indirect customers. Leading in-memory database, available on premise and in cloud deployment, using SAP HANA Cloud
  - Powerful data warehousing and analytics solutions such as SAP Data Warehouse Cloud, SAP BW/4HANA, and SAP Analytics Cloud
  - SAP Integration Suite and SAP Extension Suite: >16,500 customers, >13,000 integration customers.
  - SAP Data Intelligence: combines AI and machine learning for data and information management

## SAP's End-to-End Solutions

### Applications, Technology & Support

- Packaged solutions for 25 industries and 12 lines-of-business: on premise, cloud, hybrid
- RISE with SAP: business transformation in the cloud
- SAP S/4HANA: Market-leading Intelligent ERP, delivered with intelligent capabilities and best practices for every industry, available in the cloud or any-premise

SAP S/4HANA Market Performance<sup>1</sup>



- SAP Digital Supply Chain solutions help customers achieve a resilient and sustainable supply chain, increasing productivity through Industry 4.0, improving connectivity with network collaboration, and running sustainable business practices. The portfolio covers the design-to-operate cycle across the lifecycle of products
- Human experience management. solutions: SAP Success-Factors solutions support 43 languages. SAP Employee Central localized for 101 countries, >4,600 customers, SAP HXM Suite >7,500 customers
- SAP Customer Experience solutions: Leader in digital commerce and digital experience platforms
  - Commerce Cloud: 2021 gross merchandise value up 46%
  - Customer Data Cloud: 3.1b identities
  - Customer Engagement Solution (Emarsys): 20b outbound personalized messages per month
  - Sales Cloud & Service Cloud: >2b customer records and interactions in 2020
- SAP Intelligent Spend Management portfolio:
  - SAP Ariba: >5.5 million connected companies
  - SAP Fieldglass: >1 million new workers added in Q2
  - SAP Concur: >72 million end users
- SAP Business Network to collaborate with all types of trading partners: Ariba Network (\$3.8tn in annual commerce), Logistics Business Network and Asset Intelligence Network (5m IoT-enabled equipment assets managed)
- Industry Cloud Solutions foster business transformation by extending SAP S/4HANA, SAP's LoB Cloud solutions and SAP Business Network with industry next practices: modular, cloud native, interoperable, built on BTP
- Support from SAP safeguards mission-critical processes, optimizes operations and enables the Intelligent Enterprise

### Services / Qualtrics

- Services from SAP drive digital transformations, deliver training, enablement and strategic premium engagement
- Qualtrics' experience management software drives customer loyalty, employee engagement, brand and product quality. >13,000 companies use Qualtrics

## General Facts

- Headquarters: Walldorf, Germany
- Founded: April 1, 1972
- Listing: Frankfurt, New York
- 103,876 employees worldwide (June 30, 2021)
  - 156 nationalities worldwide
  - Employee retention at 94.8%
  - Employee Engagement Index at 84%
  - 27.9% women in management
  - >77% of SAP employees are SAP shareholders

